X-pand into the Future

e u r e x *circular 025/04*

Date: Frankfurt, March 4, 2004
Recipients: All Eurex members and vendors
Authorized by: Peter Reitz

⚠ **Action Required** ⚠ **High Priority**

Clariant AG – Capital Increase

Contact: Eurex Help Desk Equity Products, Tel. +49-69-211-1 12 10

Content may be most important for:

- ➲ Front Office / Trading
- ➲ Middle + Back Office
- ➲ IT /System Administration
- ➲ Auditing / Security Coordination

Attachments:
None

Summary:
At the Annual General Meeting on April 2, 2004, Clariant AG will decide on a capital increase of the order of CHF 920,000,000. The capital increase will be raised by a subscription rights offer to Clariant AG shareholders. The exact conditions will be announced at the Annual General Meeting. The subscription period will begin on April 13, 2004 and end on April 21, 2004. As a result of the capital increase an adjustment to the Eurex options on shares of Clariant AG (CLN) is required. This circular contains a description of the adjustment procedure.

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Management Board:
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Clariant AG – Capital Increase

At the Annual General Meeting on April 2, 2004, Clariant AG will decide on a capital increase of the order of CHF 920,000,000. The capital increase will be raised by a subscription rights offer to Clariant AG shareholders. The exact conditions will be announced at the Annual General Meeting. The subscription period will begin on April 13, 2004 and end on April 21, 2004.

The capital increase will be managed as follows:

- The subscription ratio and subscription price of the new shares will be announced on April 2, 2004
- The subscription period will be from April 13, 2004 until April 21, 2004
- The new Clariant AG shares will have dividend rights from the fiscal year 2004

As a result of the capital increase, an adjustment to the Eurex option on shares of Clariant AG pursuant to Section 2.15.7 (4) of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich will be required. The Eurex Exchanges will calculate the adjustment factor (R-factor) on the basis of the closing auction price on April 8, 2004. The strike prices will be reduced by multiplying them by the R-factor. The contract size will be increased correspondingly, so that the original contract value is maintained. The version number of the adjusted series will be increased by 1.

The R-factor is calculated as follows:

R = ((number of old shares / number of new shares) * (1 - (issue price of new shares / closing auction price))) + (issue price of new shares / closing auction price)

The adjusted series and the resulting new contract sizes will be published via the Market Supervision Messages window immediately after the close of trading.

On exercise of an adjusted series, a cash payment will be made for the figure after the decimal point in the new standard contract size.

New series with version number 0 and the standard contract size of 100 will be introduced with effect from April 13, 2004. All outstanding orders and quotes will be deleted after close of trading on April 8, 2004.

On the days before the capital measure the Contract Cover Assignment Entry window in the Clearing GUI should be used to delete all allocations of shares covering short call positions for the product CLN.

Further details, particularly concerning the subscription ratio and the issue price of the new Clariant AG shares will be published via the Market Supervision Messages window.

The new position limit will be published in the Market Supervision Messages window once the capital measure has been concluded.

Please contact the Functional Help Desk on +49-69-211-1 12 10 should you have any further questions.

Frankfurt, March 4, 2004

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